



As of March 31, 2012

Harbor Mid Cap Value Fund

INVESTMENT APPROACH

PHILOSOPHY - The Harbor Mid Cap Value Fund uses a strictly quantitative investment model to choose out-of-favor mid cap companies that have the potential for future price appreciation. The subadviser looks to exploit biases and inefficiencies that lead to the mispricing of stocks based on inaccurate market perceptions of valuation or future growth expectations. The Portfolio Managers seek to control risk through a disciplined investment process rooted in fundamental investment theory. Stocks will be sold that are no longer ranked highly due to either price appreciation or change in fundamental characteristics. Portfolio turnover is typically below 40% as the impact of trading costs is considered when making buy and sell decisions. The portfolio typically will have aggregate characteristics that reflect a deeper value orientation when compared to the Index.

Investment Risks - Stocks of mid cap companies pose special risks, including possible illiquidity and greater price volatility than stocks of larger, more established companies.

Over time, a value oriented investing style may go in and out of favor, which may cause the Fund to sometimes underperform other equity funds that use different investing styles.

Equity securities, such as common stocks, are affected by company specific events and by movements in the overall stock markets in which those securities principally trade. An adverse company specific event, or downturn in those stock markets, can depress the value of a particular company's equity securities.

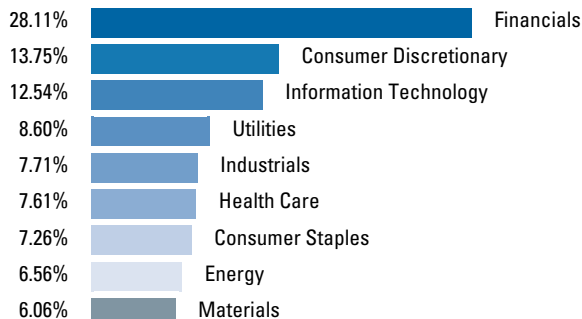
WHY HARBOR

Recognizing that no single organization can excel in managing all types of asset classes, Harbor assigns the portfolio management responsibility for its mutual funds to outside asset managers, or subadvisers. By outsourcing this key function rather than trying to manage the mutual funds internally, Harbor is able to obtain the services of value-added asset managers from leading investment firms.

Harbor believes its competitive advantage is finding an asset management organization with an outstanding record for each specific asset class. This skill in selecting managers is derived in part from Harbor's many years of experience in managing pension fund assets.

Realizing that low expenses can add significantly to investment returns, Harbor has always emphasized rigorous cost control.

SECTOR ALLOCATION



PORTFOLIO STATISTICS

Morningstar Category	Mid-Cap Value
Number of Securities	142
Adjusted Price to Earnings Ratio	13.71
Redemption Fee	None
Annualized Turnover - as of 10/31/2011	32%
Average Market Cap (\$MM)	6,681.23
Beta vs. Russell Midcap® Value Index	1.07
Beta vs. Russell 3000® Index	1.23

TOP TEN HOLDINGS

1. Valero Energy plc	1.62%
2. L-3 Communications Holdings Inc.	1.62%
3. Entergy Corporation	1.60%
4. Aetna Inc.	1.59%
5. Ameriprise Financial Inc.	1.57%
6. Safeway Inc.	1.52%
7. Seagate Technology plc	1.38%
8. Dillard's Inc.	1.36%
9. CBL & Associates Properties Inc.	1.35%
10. Hospitality Properties Trust	1.33%
Total	14.94%

FUND FACTS

	Institutional Class	Investor Class	Administrative Class
NASDAQ Symbol	HAMVX	HIMVX	HRMVX
Fund Number	2023	2423	2223
CUSIP	411511835	411511736	411511728
Inception Date	03/01/2002	11/01/2002	11/01/2002
12b-1 Fee	None	0.25%	0.25%
Total Net Assets (\$MM)	64.856	4.728	1.181
Investment Goal	Long-term total return		

Harbor Funds

Adjusted Price to Earnings (P/E) Ratio is the closing stock price divided by the sum of the last four quarters Earnings Per Share (EPS); only P/Es of 2.0 and greater are included.

Beta is a measure of systematic risk, or the sensitivity of a fund to movements in the benchmark. A beta of 1 implies that the expected movement of a fund's return would match that of the benchmark used to measure beta.

Certain portfolio statistics are provided by FactSet.

Morningstar Category - ©2012 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

This information should not be considered as a recommendation to purchase or sell a particular security and the holdings, sectors or countries mentioned may change at any time and may not represent current or future investments.

Please keep in mind that as a result of changing market conditions, total net asset levels, expenses and other statistics may change at any time and may differ from those shown.

HARBOR FUNDS and the Lighthouse Design are Reg. U.S. Pat. & Tm. Off.

Not FDIC Insured. No Bank Guarantee. May Lose Value. Distributed by Harbor Funds Distributors, Inc.

Harbor Mid Cap Value Fund

As of March 31, 2012



MANAGER PROFILE



Josef Lakonishok, Ph.D.



Menno Vermeulen, CFA



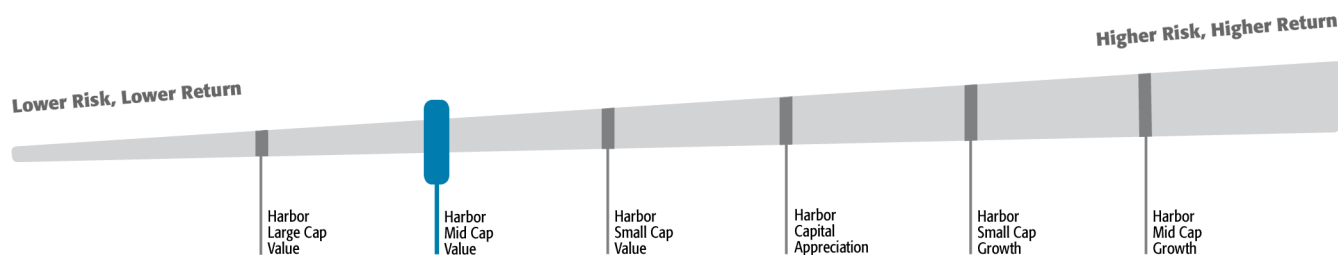
Puneet Mansharamani, CFA

Josef Lakonishok, Ph.D., and Menno Vermeulen, CFA, have co-managed the Harbor Mid Cap Value Fund since 2004. Dr. Lakonishok is the CEO and a Founding Partner of LSV Asset Management, and has been a William G. Karnes Professor of Finance at the University of Illinois at Urbana-Champaign since 1987. Menno Vermeulen, Portfolio Manager & Senior Quantitative Analyst at LSV since 1995, was made a Partner in the firm in 1998. Puneet Mansharamani, CFA, has been a co-manager for the Fund since 2006. Mr. Mansharamani joined LSV in 2000 and is a Partner, Portfolio Manager & Quantitative Analyst.

TOP INDUSTRIES

INSURANCE	10.98%
REAL ESTATE INVESTMENT TRUSTS (REITs)	7.22%
OIL, GAS & CONSUMABLE FUELS	5.82%
COMMERCIAL BANKS	5.34%
ELECTRIC UTILITIES	4.39%
HEALTH CARE PROVIDERS & SERVICES	4.30%
FOOD PRODUCTS	3.95%
AEROSPACE & DEFENSE	3.20%
MULTILINE RETAIL	3.05%
COMPUTERS & PERIPHERALS	2.89%

HARBOR FUNDS DOMESTIC EQUITY POTENTIAL RISK & RETURN



About Risk & Return. Mutual fund investors should consider the risk as well as the potential return of their mutual fund investment. A mutual fund's share price will fluctuate up and down with the value of the securities held in its portfolio. When the value of the securities in your fund's portfolio increases, the fund's share price will rise. When the value of the securities in your fund's portfolio decreases, the fund's share price will decline.

Generally, the higher the potential return, the greater the risk of the investment. That means your mutual fund's share price will fluctuate more significantly over time with a riskier investment than with a less risky investment. Equity mutual funds are more risky than fixed income mutual funds so the share prices of equity mutual funds generally fluctuate more widely than the share prices of fixed income mutual funds. Fixed income mutual funds can fluctuate also. Bond funds, for example, can fluctuate with rising or falling interest rates.

The risk and return graph indicates the potential risk and return for Harbor funds in this asset category. You can use this graph to compare generally the relative risk and potential return of one Harbor fund to the risk and potential return of other Harbor funds within this same asset category.

PERFORMANCE - As of March 31, 2012

	Three Months	Year to Date	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception	Expense Ratios Net	Expense Ratios Gross
Harbor Mid Cap Value Fund - Institutional Class	13.09%	13.09%	1.20%	28.85%	0.76%	4.79%	5.33%	0.95%	1.08%
Harbor Mid Cap Value Fund - Investor Class	12.96%	12.96%	0.88%	28.39%	0.39%	N/A	7.48%	1.32%	1.45%
Harbor Mid Cap Value Fund - Administrative Class	12.95%	12.95%	0.92%	28.54%	0.51%	N/A	7.60%	1.20%	1.33%
Russell Midcap® Value Index	11.41%	11.41%	2.28%	29.18%	1.26%	8.02%	8.48%	---	---

The Russell Midcap® Value Index since inception return uses 02/28/2002 as the period begin date.

Performance data shown represents past performance, which is no guarantee of future results. Current performance may be higher or lower than the past performance data shown. Investment returns and the value of an investment will fluctuate, and an investor's shares, when sold, may be worth more or less than their original cost. You can obtain performance data current to the most recent month-end (available within seven business days after the most recent month-end) by calling 800-422-1050 or visiting www.harborfunds.com.

Investors should carefully consider the Fund's investment objectives, risks, charges and expenses before investing. To obtain a summary prospectus or prospectus for this and other information about the Fund, visit harborfunds.com or call 800-422-1050. Read it carefully before investing.

The Harbor Funds performance shown assumes the reinvestment of dividend and capital gain distributions and is net of management fees and expenses. Returns for periods less than one year are not annualized. From time to time, certain fees and/or expenses have been voluntarily waived, which has resulted in higher returns. Without these waivers, the returns would have been lower. Voluntary waivers may be applied or discontinued at any time without notice. The Harbor Funds are no-load; other fees and expenses do apply to a continued investment in the Funds and are described in each Fund's current prospectus.

About Expense Ratios: All mutual funds have expense ratios which represent what shareholders pay for operating expenses and management fees. Expense ratios are expressed as an annualized percentage of a fund's average net assets paid out in expenses. Net expense ratios reflect adjustments due to voluntary or contractual fee waivers or expense reimbursements. Expense ratio information is as of the Fund's current prospectus, as revised and supplemented from time to time.

The net expense ratios for this Fund are contractually capped until 02-28-2013.

The Russell Midcap® Value Index is an unmanaged index generally representative of the U.S. market for medium capitalization value stocks. This unmanaged index does not reflect fees and expenses and is not available for direct investment. The Russell Midcap® Value Index and Russell® are trademarks of Russell Investments.